

NATIONAL RECOVERY ADMINISTRATION

AMENDMENT TO
CODE OF FAIR COMPETITION
FOR THE
LUMBER AND TIMBER
PRODUCTS INDUSTRY

AS APPROVED ON APRIL 13, 1934



UNITED STATES
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Approved Code No. 9—Amendment No. 8

AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

LUMBER AND TIMBER PRODUCTS INDUSTRY

As Approved on April 13, 1934

ORDER

APPROVING AMENDMENTS TO THE CODE OF FAIR COMPETITION FOR THE
LUMBER AND TIMBER PRODUCTS INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of Amendments submitted as Amendments Nos. 7, 10 (1), 11, 13, 14, 15 (2), 16, 17, 18, 19, 20, 21, 23, 24, 26 and 36 to the Code of Fair Competition for the Lumber and Timber Products Industries, and hearings having been duly held thereon and the annexed report on said amendments, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate, by reference, said annexed report and do find that said amendments and the Code as constituted after being amended comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act, and do hereby order that said amendments be and they are hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as amended.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

A. R. GLANCY,
Division Administrator.

WASHINGTON, D.C.,
April 13, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,

The White House.

SIR: Under the Code of Fair Competition for the Lumber and Timber Products Industries, as approved by you on August 19, 1933, the Lumber Code Authority has submitted Amendments Nos. 7, 10 (1), 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 23, 24, 26, and 36, which are included and attached.

This is a report on the Hearing on the foregoing Amendments, conducted in Washington on January 22 and 23, 1934, in accordance with the provisions of the National Industrial Recovery Act.

Amendments Nos. 7, 10 (1), 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 23, 24, 26, and 36 include the correction of obvious typographical errors and the rephrasing of several provisions in order to clarify their intent and to make their administration more effective. Insofar as these amendments incorporate substantive additions to the text, the additions are the result of either original oversight or of practical experience under the Code which has demonstrated their need. However, in no instance are new principles involved.

The Deputy Administrator in his final report to me on said amendments to said Code having found as herein set forth and on the basis of all the proceedings in this matter; I find that:

(a) The amendments to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restrictions of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7 and Subsection (b) of Section 10 thereof.

(c) The Code empowers the Code Authority to present the aforesaid amendments on behalf of the industry as a whole.

(d) The amendments and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(e) The amendments and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said amendments.

For these reasons, therefore, I have approved these Amendments to the Code.

Respectfully,

HUGH S. JOHNSON, *Administrator.*

APRIL 13, 1934.

AMENDMENT TO CODE OF FAIR COMPETITION FOR THE LUMBER AND TIMBER PRODUCTS INDUSTRY

AMENDMENT No. 7: In article II (a) strike out subsection number (2) and insert the following: "Sawn lumber and other sawn wood products of sawmills, and products of planing mills operated in conjunction with sawmills."

AMENDMENT No. 10: In Article VII (d): (1) Under the heading "Oak Flooring", after the word "Appalachian" add the following: "(including Ohio and Pennsylvania)"

AMENDMENT No. 11: In article VIII (c) (2) At the end of this subsection add the following sentence: "In the application of this subsection, shipments may be used in lieu of production at the option of a Division or Subdivision."

In Article VIII (e) After the words "yearly production" insert the following: "or shipments."

AMENDMENT No. 13: In Article XVI (c) Change the phrase "shall be effective" to read "shall become effective".

AMENDMENT No. 14: In Schedule "A" in the section headed 3. "Appalachian and Southern Hardwood Subdivision" under the paragraph headed "Subdivision", after the words "yellow cypress and Southern", insert the following: "white (juniper) and".

AMENDMENT No. 15: In Schedule "A" add the following new paragraph at the end of the section headed "Mahogany Subdivision":

"Control of production (imports) (Article VIII).—Quotas of imports or production established for the Mahogany Subdivision, and allotments thereof to eligible persons therein, in the discretion of its Administrative Agency and with the approval of the Lumber Code Authority, may be for periods greater than three months and may be based on shipments, provided that no such person shall be precluded thereby from imports or production sufficient to maintain at the end of any allotment period an inventory of logs and lumber equal in footage to the volume of his shipments during the preceding calendar year."

AMENDMENT No. 16: In Schedule "A" add the following new section at the end of "5. Philippine Mahogany Subdivision":

"(a) The Executive Committee of the Philippine Mahogany Subdivision is empowered, with the approval of the Authority and within the limits of the total subdivision quota, to assign a maximum import allotment to each eligible person registered with the Philippine Mahogany Subdivision and subject to its jurisdiction. The Subdivision quota and individual allotments shall be made for periods of six months and as provided in this Article.

"(b) Any person complying with the labor and other provisions of this Code applicable to this Subdivision, who brings Philippine Mahogany or Philippine hardwood into the United States from the Philippine Islands in quantities sufficient to amount to wholesale

distribution for resale to wholesalers, retailers, or industrials as defined in this Code, shall be deemed an eligible person for purposes of allotment.

"(c) Any eligible person may obtain an allotment by making application to the said Executive Committee designating the Philippine mill or mills from which he has arranged to obtain his supplies. The allotment to said eligible person shall be determined by the following formula:

$$\frac{\text{Milling capacity}}{\text{Total capacity}} / 60\% \text{ of Subdivision Quota}$$

Plus

$$\frac{\text{Mill shipments to U.S.}}{\text{Total shipments to U.S.}} / 40\% \text{ of Subdivision Quota}$$

" DEFINITION OF TERMS

"' Mill Capacity ' means the actual capacity at the time of the application for allotment of the Philippine mill or mills designated by an eligible person.

"' Total Capacity ' means the actual total capacity of all Philippine mills designated by eligible persons.

"' Mill shipments to U.S. ' mean the average yearly shipment to the United States from the Philippine mill or mills designated by eligible person, calculated upon any three calendar years since 1924.

"' Total shipments to U.S. ' mean the average yearly shipments to the United States from all mills in the Philippine Islands, calculated on calendar years since 1924.

" In respect to mills which have not been in operation for as much as three calendar years since 1924, the ' mill shipments to the United States ' shall be the yearly average of actual shipments.

" In the case of logging operations in which the logs were sold and shipped as logs and not manufactured into lumber or timber products by the logger the actual production of such logs during calendar year shall be considered the ' mill capacity ' of such operator.

"(d) If two eligible persons designate the same mill as their source of supply the total shipments to the United States therefrom shall not exceed the amount determined by the application of the formula prescribed in this article and the said person shall divide the said total in such proportions as they are able to effect purchases from such mill.

"(e) If any eligible person to whom an allotment has been made advises the Subdivision agency that he will not use all or part of his allotment within the allotment period, or if in three months after the date of the allotment any such person fails to use a substitute portion of his allotment, and fails to show to the satisfaction of the Executive Committee that he has ordered shipment of a substantial portion of his allotment the said Committee may, after public hearing on all the facts and circumstances, and subject to the supervision of the Authority, reduce the allotment of such person for the balance of the existing quota period by such amount as may be fair and equitable in order to save to the Subdivision as a

whole the privilege of bringing into the United States the whole of the Subdivision quota. In the event of such reduction of allotment the amount thereof shall be divided among other eligible persons in proportion to their existing allotments upon application to the said Executive Committee.

“(f) In determining compliance with individual allotments, date of loading on shipboard in the Philippine Islands for shipment to the United States shall be deemed arrival of shipment in the United States.

“(g) No person subject to the jurisdiction of this Subdivision shall import products without an import allotment, or in excess of such allotment, as herein provided.”

AMENDMENT No. 17. In Article VIII (a) Insert after the words “each three months,” the phrase “except as hereinafter otherwise provided.”

In Schedule “A”, at the end of “7. Northern Hardwood Subdivision”, add the following new section:

“*Control of Production.*—Quotas of production established for the Northern Hardwood Subdivision and allotments thereof to eligible persons therein, in the discretion of the Administrative Agency and with the approval of the Lumber Code Authority, may be for periods greater than three months.”

AMENDMENT No. 18: In Schedule “A”, at the end of “9. Northeastern Hardwood Subdivision”, add the following new section:

“*Control of Production.*—Quotas of production established for the Northeastern Hardwood Subdivision and allotments thereof to eligible persons therein, in the discretion of the Administrative Agency and with the approval of the Lumber Code Authority, may be for periods greater than three months.”

AMENDMENT No. 19: In Schedule “A”, at the end of “10. Northern Hemlock Division”, add the following new section:

“*Control of Production.*—Quotas of production established for the Northern Hemlock Division and allotments thereof to eligible persons therein, in the discretion of the Administrative Agency and with the approval of the Lumber Code Authority, may be for periods greater than three months.”

AMENDMENT No. 20: In Schedule “A”, in the section headed “12. Redwood Division”, insert after the words “Santa Cruz”, under the heading “Division” the words “Contra Costa.”

AMENDMENT No. 21: In Schedule “A”, at the end of “13. Northeastern Softwood Division” add the following new section:

“*Control of Production.*—Quota of production established for the Northeastern Softwood Division and allotments thereof to eligible persons therein, in the discretion of the Administrative Agency and with the approval of the Lumber Code Authority, may be for periods greater than three months.”

AMENDMENT No. 23: In Schedule “A”, in section headed “19. Western Pine Division” in the last line of the paragraph headed “Division” strike out the word “and” and after the word “Wyoming” add “and El Paso County, Texas.”

AMENDMENT No. 24: In Schedule “A”, in the section headed “19. Western Pine Division” strike out the paragraph headed “Products (Article IIa):” and insert in lieu thereof the following:

“Products (Article IIa).—All lumber and timber products enumerated except: shingles, woodwork, (millwork), including products of planing mills operated in conjunction with retail lumber yards, hardwood flooring, veneers, plywood, kiln-dried hardwood dimension, sawed boxes, shook, crates and plywood, veneer and wire-bound packages and containers. Moulding is included for the Western Pine Division.”

AMENDMENT No. 26: In Schedule “A” in the section headed “35. Maple, Beech, and Birch Flooring Division” in the last sentence under the heading “Administrative Agency” strike out the word “Sale” and insert in lieu thereof the word “rules.”

AMENDMENT No. 36: In Schedule “A”, Division number 31, entitled “Red Cedar Shingle Division”, under the paragraph entitled “Division”, substitute the following:

“The Red Cedar Shingle Division consists of producers and manufacturers of western red cedar shingles in Washington, Oregon and Idaho.”

Approved Code No. 9—Amendment No. 8.
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